

**Economic Impact Statement**

LSA Document #09-677

**IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses****1. STATEMENT OF NEED**

The Indiana Real Estate Commission is required by legislation to pass this rule, which restates the statutory requirement of fingerprint submissions for criminal history checks on real estate appraiser applicants. The rule is being drafted pursuant to statutory mandate. [IC 25-34.1-8-10\(e\)](#) states that, "The commission, upon recommendation of the board, **shall** adopt rules under [IC 4-22-2](#) to implement this section." (emphasis added). The rule, however, does not set any additional requirements beyond those already in statute and is only being promulgated to meet the "implementation" requirement as stated above. Because the proposed rule is redundant, it does not impact small businesses. Consequently, IPLA has determined that this proposed rule will **not** impose requirements and costs on small businesses.

**2. EVALUATION OF BENEFITS AND COSTS****A. Estimated Number of Small Businesses Affected by Industry Sector Number:**

NAICS Code 531320 – Offices of Real Estate Appraisers.

This rule will not impose any adverse economic impact on small businesses.

The Real Estate Appraiser Licensure and Certification Board has issued the following number of licenses since 2008. This data can be used to predict new license applications in the future. This rule does not apply to individuals who already have licenses.

2008: 170

2009: 113

The General Assembly enacted this rule to prevent individuals from falsifying attesting to never having been convicted of a crime. Since this is a preventative measure and has never been done before, the Board does not have data on how many existing licensees falsified attesting to never having been convicted of a crime.

The harm resulting from the conduct that the rule is designed to change and the likelihood the conduct will continue to occur absent a rule change.

The rule is designed to prevent the harm resulting from applicants falsifying attesting to never having been convicted of a crime when they actually have. The potential for the falsifying of this information would continue if the preventative measure was not in place.

**B. Estimated Average Annual Administrative Costs**

The Indiana Professional Licensing Agency has determined that this proposed rule will not impose requirements and costs, including administrative costs on small businesses as described herein.

**C. Estimated Total Annual Economic Impact**

This rule has no fiscal impact and is being drafted pursuant to statutory mandate and that the rule is wholly redundant, i.e., the rule does not require anything not required by statute.

All fingerprints must be obtained through the vendor selected by the Indiana State Police. The cost of obtaining the fingerprints is \$43.20 and charged directly to an individual person/applicant. The cost is comprised of the following:

FBI Fee	\$17.25
State Fee	\$15.00
Fingerprinting	\$10.95
Total	\$43.20

There are no other fees, equipment, supplies, increased labor and training, education, or supervisory costs associated with this rule placed on small business.

**3. Supporting Data, Studies, or Analyses****a. Supporting Data**

Because this does not have a fiscal impact, there is no data to report.

**b. Estimated Revenue**

The Board does not anticipate any additional revenue.

**4. Examination of Alternatives**

The Board was given the option by statute to impose this requirement on already existing licensees. The Board was not given the option on whether or not to impose this requirement on new applicants. The Board chose the less restrictive alternative of only enforcing the minimum required regulatory option by statute.

## 5. Summary

**a. Is the annual fiscal impact of the proposed rule on the regulated persons greater than \$500,000?**

No.

**b. Have any regulated persons affected by the proposed rule submitted applicable information? If so, that information must be considered.**

No information was submitted.

**c. Does the proposed rule create an unfunded mandate on a state agency or political subdivision?**

No.

## 6. Conclusion

The rule does not set any additional requirements beyond those already in statute and is only being promulgated to meet the "implementation" requirement as stated above. Because the proposed rule is redundant, it does neither impacts small businesses nor IPLA in any way. Consequently, IPLA has determined that this proposed rule will **not** impose requirements and costs on small businesses.

*Posted: 12/23/2009 by Legislative Services Agency*

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